

**Before the State of South Carolina
Department of Insurance**

In the matter of:

Gloria J. McGraw
Route 5, Box 234
Kingstree, South Carolina 29556

SCDOI File Number: 124260

**Consent Order
Imposing Administrative Penalty**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and above named respondent, a licensed South Carolina insurance producer.

Upon review of this matter, I hereby find as fact, that Ms. McGraw, while licensed to do business as a resident insurance producer within the State of South Carolina, did remit premiums collected from consumers of this State, to S.C. Premium Financing, Inc., through checks that were later returned NSF (Non Sufficient Funds). Ms. McGraw acknowledges this allegation and contends this failure resulted from inadvertence and oversight and not from any intent to avoid the requirements of the Law. Nevertheless, this type of action can ultimately lead to the revocation of her license to transact the business of insurance as a resident producer in South Carolina, following a public hearing at the Administrative Law Court, pursuant to S.C. Code Ann. & 38-43-130.

Prior to the initiation of any administrative proceedings by the Department against her, Gloria McGraw and the Department agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal public hearing. The consensual recommendation was that, in lieu of the Department seeking to revoke Ms. McGraw's resident insurance producer's license, she would immediately refund the complainant, waive her right to a public hearing and immediately pay an administrative penalty in the amount of \$1,000.00 dollars.

After a thorough review of the record, and pursuant to my findings of fact, I hereby conclude as a matter of law, that Gloria J. McGraw had violated S.C. Code Ann. § 38-43-130(C) (Supp. 2004), by...“issuing a check covering all or a portion of an insurance premium which is not accepted by the bank on which it is written when it is initially submitted to the bank.” As a result, I can now take administrative disciplinary action against her insurance producer's license and that of her agency. However, in view of her clean record, the fact that she promptly reimbursed the monies in question, thus obtaining a “clearance letter” from the complainant, I conclude that there was no malice, criminal intent, nor willful conduct involved. Therefore, under the discretionary authority provided to me by the General Assembly within S.C. Code Ann. § 38-2-10 (2)(Supp. 2004), and after carefully considering the recommendation of the parties, I hereby impose against Gloria McGraw administrative penalty in the amount of \$1,000.00 dollars. That fine must be paid within ten days of receipt of this consent order. If she

does not timely pay that total fine amount, her resident insurance producer's license will be immediately revoked without any further disciplinary proceedings.

This administrative penalty has been reached by the parties as a result of negotiation and compromise, and it is made in consideration of Ms. McGraw's assurances that in the future she will exercise more caution and fully comply with South Carolina's Insurance Laws.


This penalty includes all expenses related to the investigation of this matter, as provided in Section 38-13-70 of the South Carolina Code of Administrative Laws. The parties expressly agree and understand payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter.

By her signature upon this consent order, Gloria J. McGraw acknowledges this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2004).

It is, therefore, ordered that Gloria McGraw shall, within ten days of the date of receipt of this consent order, pay through the Department of Insurance an administrative fine in the total amount of \$1,000.00 dollars.

It is further ordered that a copy of this consent order be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states and a copy be placed in Ms. McGraw's licensing file.

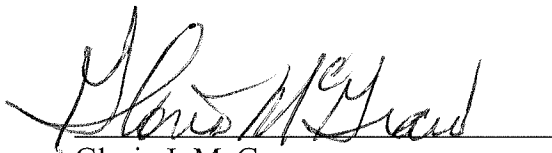
This order becomes effective as of the date of my signature below.


Eleanor Kitzman,
Director

~~March~~ ^{April} / , 2005,

at Columbia, South Carolina.

I CONSENT:

A handwritten signature in cursive script, appearing to read "Gloria McGraw", written over a horizontal line.

Gloria J. McGraw
Post Office Box 277
Kingtree, South Carolina 29556.

Dated this 18th day of March, 2005.